





September 2010

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OFFICE STAFF

Bret A. Harris, CED Dawn Weekly, PT

OFFICE HOURS

Monday - Friday 8:00 a.m. to 4:30 p.m.

Loan Staff Available

Call for an appointment! (541) 673-6071, ext. 2 Jim Jutson, FLM Dana Mahlberg, PT

2010 COOS/CURRY FSA COMMITTEE

Chairman:

Rick McKenzie – LAA-3 Vice Chairman: Sharon Waterman – LAA-1 Member:

Beau Allen – LAA-2

Farm Service Agency

Coos/Curry FSA News

http://www.fsa.usda.gov/or/cooscurry.html

376 N Central Blvd. Coquille, OR 97423

NAP Coverage

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

The application deadline date for the 2011 NAP coverage for selected crops in our area is:

- **8/31/10** Christmas trees, flowers, herbs, onions;
- **9/1/10** Nursery Crops
- 11/20/10 Apples, blueberries, caneberries, cranberries, grapes, peaches, pears, plums, prunes, nectarines;
- 11/30/10 All Forage & Grazing Crops except oat forage/grazing

Producers who already have coverage on 2010 NAP crops may choose to continue coverage on the same crop or crops for 2011, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee. Producers with NAP coverage must remember to complete the following to qualify for benefits:

- Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.
- File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.

COC Nominating Closed Voting Starts Nov. 5

2010 Ballot Set

Nominees for the LAA-3 position (Curry County representative) on the Coos/Curry FSA Committee (COC) have been set. Nominated to replace Rick McKenzie (current COC Chairman) on the committee are:

- James Donaldson James is a rancher from the Langlois area. He ranches with his father and brother raising sheep and cattle.
- **Jim Kamph** Jim is a rancher from the Langlois area. Jim and his wife operate the family cattle ranch
- Merri Lang Merri and her husband have both cattle operations in Curry county and a cranberry farm in Coos County. She has served as an alternate on the COC for many years.

Outgoing Chairman, Rick McKenzie, has served three consecutive 3-year terms on the COC, and is ineligible to run again without a 1-term break in service. In total, Rick has served his fellow producers on the FSA (and predecessor ASCS) County Committees for an impressive 25 years! His commitment to agriculture and service to producers in the area is greatly appreciated, and his knowledge and understanding of local agriculture will be missed.

Voting Begins Nov. 5

Ballots will be mailed to eligible voters beginning Nov. 5, and **must be returned to the county office by the close of business on Dec. 6**, or postmarked by midnight Dec. 6, 2010.

Agricultural producers of legal voting age can vote if they participate or cooperate in any FSA program. A person who is not of legal voting age but supervises and conducts the farming operations on an entire farm can also vote.

No one can be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

For additional information about COC elections, contact the Coos/Curry FSA staff at the numbers listed on the left.

Farm Reconstitutions

For FSA program purposes, tracts having the same owner and the same operator are grouped under one farm number. When changes in ownership or operation take place, a reconstitution is necessary.

The reconstitution (recon) is the process of combining or dividing farms or tracts of land based on the farming operation. The following methods are used:

Estate Method division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method

used when (1) part of a farm is sold or ownership transferred; (2) an entire farm is sold to two or more people; (3) farm ownership transferred to two or more people; (4) part of a tract sold or ownership transferred; (5) a tract sold to two or more people; or (6) tract ownership transferred to two or more people.

DCP Cropland Method

division of bases in the same proportion that each resulting tract relates to the parent tract;

Default Method

division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system

Proper Signature Authorization

The Improper Payments Information Act of 2002 required every federal agency to identify programs and activities susceptible to possible improper payments. As a result, FSA has been reviewing producer eligibility files to determine who is authorized to sign FSA program documents in representative capacities and if the signature format is proper. You may be asked to provide copies of signed legal documents specific to your organization. Some of the documents that may be requested to verify ownership interest as well as signature authority for the organization are identified as follows:

Corporation: Articles of Incorporation, By-Laws, Corporate Resolutions, Corporate Meeting Minutes, Share Certificates, Share Registers, Share Receipts, Annual Report Filed with the Secretary of State's Office.

Limited Liability Company: Articles of Organization. Operating Agreement, Annual Report Filed with the Secretary of State's Office.

Limited Liability Partnership: Partnership Agreement.

Limited Partnership: Partnership Agreement. **General Partnership:** Partnership Agreement, IRS Form 1065 and applicable Schedule K-1.

Trust: Trust Agreement.

Estate: Last Will and Testament, Court Orders of Appointment containing the signature of an officer of the court, Court-approved certificate of letter of administration containing the signature of an officer of and issuing court, Certification by an officer of the issuing court that the evidence of authority is in full force and effect.

Joint Venture: IRS Form 1065 and applicable Schedule K-1.

For a complete listing of FSA signature requirements, contact your local FSA office or logon to our website http://www.fsa.usa.gov.

CREP & Continuous CRP Available

The Conservation Reserve Enhancement Program (CREP) allows farmers and ranchers to voluntarily enroll environmentally sensitive land into a program that decreases erosion, restores wildlife habitat and safeguards ground and surface water. CREP is a partnership with federal and state government and is limited to specific geographic areas.

Environmentally sensitive acreage qualifying for the Conservation Reserve Enhancement Program (CREP) or Continuous CRP will be eligible for annual rental payments and cost-share of up to 50 percent on approved practices. These targeted programs will remain funded, and continue to provide heightened environmental benefits on select areas.

Requesting 2010 LDPs

To request 2010 crop loans or loan deficiency payments (LDP), you must use the CCC-633 EZ.

 Page 1 – Producer's intention to request LDPs in the future: Can be signed anytime, and must be signed before "beneficial interest" is lost.

Page 4 – Producer's *request for LDP* payment on wool, mohair, and/or unshorn lambs (pelts): Can be submitted anytime after the crop is "harvested" or after sale.

Crop Loan Rates

Selected commodity prices for August 20, 2010

Commodity	Loan Rate	LDP Rate
Barley \$/bu	2.15	\$0.0
Corn \$/bu	2.35	\$0.0
Oats \$/bu	1.35	\$0.0
Wool \$/lb	0.38	\$0.29

Report changes to Farming Operation

Be sure to notify FSA if your operation has changed either through purchase or sale of land or rent/lease of new property. Notification is essential both to maintain accurate records and to maintain program eligibility.

In order to be added to a farm on FSA records, you must provide a copy of a lease, or a statement from the land owner if renting or leasing. To report ownership changes, please provide proof of ownership.

RMA Insurance - AGR-Lite

Adjusted Gross Revenue-Lite (AGR-Lite) is a streamlined whole-farm revenue protection package that provides protection against low revenue due to unavoidable natural disasters and market fluctuations. Most farm-raised crops, animals, and animal products are eligible for protection.

AGR-Lite can stand alone or be combined with other Federal crop insurance plans. The AGR-Lite concept:

- Uses a producer's 5-year historical IRS farm income and an annual farm report as a base to provide a level of guaranteed revenue for the insurance period.
- Provides insurance coverage for multiple agricultural commodities in one product.
- Establishes revenue as a common denominator for the insurance of all agricultural commodities.

Sales Closing Date: March 16 is the enrollment date for new applicants.

For more information:

Contact USDA/RMA at (509) 228-6320 The web site is www.rma.usda.gov

Preventing Fraud

The FSA supports the Risk Management Agency in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA assists RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will refer all suspected cases of fraud, waste and abuse directly to RMA. Producers can report suspected cases to the FSA office.

Electronic Services

If a producer has Internet access, program participants can access many services from home 24 hours a day, seven days a week, and receive approval and payment by direct deposit within 48 hours.

To participate in these services, you must meet eligibility requirements. Online services have stringent security measures to protect your private information.

To utilize electronic services requires a USDA eAuthentication Level 2 Account, including your e-mail on an online registration form at http://www.eauth.egov.usda.gov then visit the county office for identity verification.

If you need assistance establishing your account, contact your local FSA Office.

Actively Engaged

FSA wants to remind producers about the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

Normally the stockholder or a member of a legal entity must make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs if both of the following apply:

• At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and

The total direct payments received both directly and indirectly, by the legal entity and each of the members doesn't exceed \$40,000.

Wetland Compliance

Farm Bill regulations provide that, unless exempt, persons are ineligible for benefits under certain programs administered by USDA if they:

- plant an agricultural commodity on wetland that was converted after December 23, 1985
- convert a wetland after November 28, 1990 FSA may not approve any loan or loan guarantee to drain, dredge, fill, level or otherwise manipulate a wetland, or to engage in any activity that results in impairing or reducing the flow, circulation or reach of water except in the case of activity related to the maintenance of previously converted wetlands.

Following are permitted uses and restrictions within Wetland compliance provisions:

- wetlands can be farmed under natural conditions, but not converted wetlands converted before November 28, 1990, cannot be planted to an agricultural commodity and retain eligibility for benefits
- wetlands converted after Nov. 28, 1990, must either be restored or mitigated to regain eligibility for program benefits.
- wetlands that can be farmed under natural conditions cannot be manipulated in any way, unless NRCS determines the work would have a minimal effect on the wetland values
- wetlands converted before December 23, 1985, can be farmed and maintained

Additional information about wetlands is available at the USDA Service Center.

Farm Ownership Down Payment Program

Purpose: Obtain help financing the purchase of a farm up to 45% of



the purchase price or appraised value, with a loan cap of \$225,000. The applicant must put down 5%. The Farm Service Agency finances up to 45% of the purchase price. The remaining 50% of the purchase price can be financed on a seller contract or through a conventional lender. The lender can obtain a guarantee from FSA if the customer is eligible.

Rates: The FSA loan rate will be locked in for the full 20 years, and currently the rate is the direct Farm Ownership rate minus 4.0%, but not lower than 1.5%.

Qualification: This program is for Beginning Farmer, Women, and Minorities. All applicants must have participated in a farming operation for at least three years. Beginning Farmers for not more than ten.

<u>Tree Assistance Program for</u> <u>Orchardists - Nursery Tree Growers</u>

TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters occurring on or after Jan. 1, 2008, and before Oct. 1, 2011. Eligible trees, bushes and vines are those from which an annual crop is produced for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees produced for commercial sale. *Trees used for pulp or timber are ineligible*.

To qualify for TAP, growers must: 1) suffer qualifying tree, bush or vine losses in excess of 15 percent (less normal mortality) from an eligible natural disaster for the stand; 2) have owned the eligible trees, bushes and vines when the natural disaster occurred (not required to own the land on which trees, bushes and vines are planted); 3) replace eligible trees, bushes and vines within 12 months from the date the application is approved.

Growers must have obtained insurance for all crops through either the Federal Crop Insurance or FSA's Noninsured Assistance Program (NAP).

More information on TAP is available at local FSA offices and on FSA's Web site at: http://www.fsa.usda.gov/tap.

October is National Disability

Employment Awareness Month

Coos/Curry County FSA Office 376 N Central Blvd. Coguille, OR 97423-1244

Return Service Requested

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FSA Youth Loan Applicants Shine at Local Fair

A total of seven area youth exhibited projects funded by the FSA Youth Loan Program at the Coos County Fair in August. FSA youth loans funded 4-H supervised projects for both steers and market hogs this year.



Pictured is Nick Hiley of Bandon, a member of the Bandon Livestock 4-H club. Nick, with the help of his parents, 4-H club leaders, and funding through FSA's Youth Loan Program, produced the Reserve Champion steer at this year's Coos County Fair.

Congratulations Nick!

Visit our Web site at www.fsa.usda.gov/FSA

Dates to Remember		
Sept 1, 2010	2010 Nursery Nap deadline	
Sept 21, 2010	Regular COC Meeting	
Oct. 1, 2010	Federal Fiscal 2011 Begins	
Oct. 2010	CRP & DCP pymts issued	
Oct. 20, 2010	Regular COC Meeting	
Nov. 30, 2010	NAP signup deadline for	
	forage crops (hay) & grazing	
On-going	Sign-up for CREP, GRP, 2009	
	LDP	
Within 15 days	NAP notice of loss. Must report	
	damage within 15 days of damage	
	or when damage is apparent.	

ATTENTION AG GROUPS

Would you like to have a presentation or more information on FSA and USDA programs? FSA and NRCS staff is available, call Bret Harris, FSA, at (541) 396-4323, ext. 25.

Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000. Youth Loan Eligibility Requirements: Be a citizen of the United States or a legal resident alien; Be 10 years to 21 years of age; Live in a rural area or in a town of 50,000 people or fewer; Must obtain a written recommendation and consent from a parent or guardian if the applicant has not reached the age of majority under state law; Comply with FSA's general eligibility requirements; Conduct a modest income-producing project in a supervised program of work as outlined above; Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor; The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms. The FSA staff can help you with questions you may have about a particular program.

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